

**Ontario Energy
Board**
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



March 4, 2016

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, Suite 2700
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: W & E International (Canada) Corp.
Application for Electricity Retailer Licence
OEB File Number EB-2015-0373**

In accordance with the Notice of Application and Written Hearing, please find enclosed OEB staff's submission filed for the above mentioned application.

Yours truly,

Original signed by

Irina Kuznetsova
Case Manager

Attachment

OEB Staff Submission

W & E International (Canada) Corp.

Electricity Retailer Licence Application

EB-2015-0373

March 4, 2016

THE APPLICATION

On December 21, 2015 W & E International (Canada) Corp. (W & E) filed an application with the Ontario Energy Board (OEB) under section 60 of the *Ontario Energy Board Act, 1998* (OEB Act) to renew its electricity retailer licence.

On January 12, 2016, the OEB issued a Notice of Application and Written Hearing (Notice) which included dates for filing of interrogatories and submissions. No parties responded to the Notice. In accordance with the timelines set out in the Notice, on February 5, 2016 OEB staff filed interrogatories in order to gather additional information required for the OEB's final determination of the licence application. On February 19, 2016, W & E filed responses to OEB staff interrogatories.

This submission is being provided by OEB staff following a review of the application and evidence filed in this proceeding.

STAFF SUBMISSION

Requirement to hold an electricity retailer licence

The OEB holds statutory power to issue various types of licences as required by section 57 of the OEB Act. Section 57(d) of the OEB Act provides that no person is permitted to retail electricity without a licence.

In section 56 of the OEB Act, retail, with respect to electricity, means:

- (a) to sell or offer to sell electricity to a consumer;
- (b) to act as an agent or broker for a retailer with respect to the sale or offering for sale of electricity; or
- (c) to act or offer to act as an agent or broker for a consumer with respect to the sale or offering for sale of electricity.

W & E has described its business activities in the application for an electricity retailer licence as "electricity market, solar electricity development and market, solar energy research and development". In its interrogatory # 2, OEB staff requested the applicant

to identify any business activities, current or intended, for which an electricity retailer licence may be required. In its interrogatory response, the applicant stated that it continues to develop renewable energy and plans to manufacture solar thermal and PV combined systems to generate solar energy. No retailing activities were mentioned in the applicant's response. However, the licence application indicated that W & E intends to start retailing electricity to low and large volume customers in the summer of 2016. In its interrogatory # 3, OEB staff sought information on the products, pricing and approach to customer acquisition, including the sales channels, W & E intends to use. In its interrogatory responses, the applicant did not provide any definite plans for electricity retailing activities, product descriptions and any details with respect to customer acquisitions. The interrogatory responses were more focused on solar systems, technologies and potential solar generation, rather than electricity retailing activities.

Based on the information provided in the application and responses to OEB staff interrogatories, and the fact that W & E has been licenced as an electricity retailer for many years and yet has not commenced supplying electricity to any customers, staff submits that W & E does not require an electricity retailer licence at this point. W & E may apply for an electricity retailer licence when it has a clear and comprehensive business plan to implement electricity retailing activities in accordance with applicable statutory and regulatory requirements.

In consideration of the evidence filed, OEB staff submits that W & E's application for an electricity retailer licence should be denied.

All of which is respectfully submitted.